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*Counsel for the Debtors and  
Debtors in Possession*

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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In re:	)	Case No. 12-12020 (MG)
	)	
RESIDENTIAL CAPITAL, LLC, <u>et al.</u> ,	)	Chapter 11
	)	
Debtors.	)	Jointly Administered
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**NOTICE OF CANCELATION OF SALE HEARING  
SCHEDULED FOR APRIL 11, 2013 AT 10:00 A.M.**

**PLEASE TAKE NOTICE** that on January 2, 2013 the above captioned debtors and debtors in possession (collectively, the “Debtors”) filed the *Debtors' Motion Pursuant to 11 U.S.C. §§ 105, 363(b), (f) and (m) and Fed. R. Bankr. P. 2002, 6004 and 9007 for Orders: (A)(I) Authorizing and Approving Sale Procedures; (II) Scheduling Bid Deadline and Sale Hearing; (III) Approving Form and Manner of Notice Thereof; and (IV) Granting Related Relief and (B)(I) Authorizing the Sale of Certain FHA Loans Free and Clear of Liens, Claims, Encumbrances and Other Interests; (II) Authorizing and Approving Mortgage Loan Purchase*

*and Interim Servicing Agreement; and (III) Granting Related Relief* [Docket No. 2544]  
(the “Motion”).<sup>1</sup>

**PLEASE TAKE FURTHER NOTICE** that on January 17, 2013, the Court entered the *Order Under 11 U.S.C. §§ 105 and 363 (I) Authorizing and Approving Sale Procedures; (II) Scheduling Bid Deadline and Sale Hearing; and (III) Establishing Notice Procedures and Approving Forms of Notice* [Docket No. 2649] (the “Sale Procedures Order”).

**PLEASE TAKE FURTHER NOTICE** that, pursuant to the Sale Procedures Order, the Debtors, in consultation with the Interested Parties, have determined that no acceptable Bid Package for the FHA Loans was submitted and have elected to terminate the Sale, provided that such termination does not prejudice the Debtors right, upon consultation with the Interested Parties, to monetize the FHA Loans in the ordinary course or to seek Court approval of a sale of the FHA Loans at a later date.

**PLEASE TAKE FURTHER NOTICE** that the Sale Hearing, which was scheduled to take place before the Honorable Martin Glenn, United States Bankruptcy Judge, in Courtroom 501 of the United States Bankruptcy Court for the Southern District of New York, One Bowling Green, New York, New York 10004-1408, on April 11, 2013, at 10:00 a.m. (ET), has been canceled.

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<sup>1</sup> Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Motion.

Dated: February 21, 2013  
New York, New York

Respectfully submitted,

/s/ Gary S. Lee

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